

The accounts of the City are organized on the basis of funds and groups of accounts, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The various funds are grouped by type in the financial statements. The types of funds maintained by the City are as follows:

### Governmental Funds

**General Fund.** The General Fund is the principal fund of the City which accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City, other than proprietary fund expenditures, are financed through revenues received by the General Fund.

**Special Revenue Funds.** These funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are designated to finance particular functions or activities of the City. The City maintains a separate special revenue fund for each federal or state grant program.

**Debt Service Fund.** The bond and interest fund is used to account for the payment of principal and interest on the City's general obligation bonds that are recorded in the general long-term debts group of accounts. Revenues for this purpose include ad valorem property taxes, special assessment taxes, investment interest income and City Hall parking lot revenues.

**Capital Project Funds.** The capital project funds account for capital improvements (except for those financed by proprietary funds) which are financed from the City's general obligation bond issues, special assessments, certain federal grants and other specific receipts.

### Proprietary Funds

**Enterprise Funds.** Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bonds (revenue or general obligation), federal grants and other City funds.

**Internal Service Funds.** Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies for the City and other governmental units, on a cost reimbursement basis.

### Fiduciary Funds

**Trust and Agency Funds.** Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units and other funds. These include expendable and pension trust funds and agency funds.

### Account Groups

**General Fixed Assets Account Group.** This group of accounts is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds.

**General Long-Term Debt Account Group.** This group of accounts is established to account for all long-term debt of the City, except that accounted for in the proprietary funds. Under the statutes of the State of Kansas, debt issued to finance special assessment project's constitutes a general obligation of the City. Therefore, this debt is recorded in the general long-term debt account group and is serviced through the Debt Service Fund. The City does not issue special assessment bonds.